

STATEMENT OF PURPOSE

RS21969

This legislation will be a new section of the code defining Health Care Sharing Ministries as exempt from being defined by the state as insurance companies. These entities are of a volunteer and ministerial nature and are not insurance companies. A health care sharing ministry (HCSM) is a health-care cost-sharing arrangement among persons of similar and sincerely held beliefs, administered by a not-for-profit religious organization. Those sharing through HCSMs are called participants.

The problem has been that overzealous insurance regulators occasionally attempt to subject HCSMs to the same requirements as insurance companies. It is impossible to meet such standards without destroying the voluntary, ministerial nature of these ministries. Fighting the regulators in court is extremely expensive and strains the finances of the HCSM participant who are already a financially stressed segment of the population. The uncertainty created by such litigation can also harm the functioning of the ministry.

This bill is modeled after laws that have achieved that goal in several other states.

FISCAL NOTE

There will be no fiscal impact, as the operation of this law imposes no new duties upon the Department of Insurance.

Contact:

Senator Sheryl L. Nuxoll
(208) 332-1355